

Historic, Archive Document

Do not assume content reflects current scientific knowledge, policies, or practices.

1
Ag 84 Pro
Cop. 2

PA. 1186.

U.S. DEPT. OF AGRICULTURE
NATIONAL LIBRARY

HOME

WEATHERIZING
LOANS THROUGH
RURAL ELECTRIC
COOPERATIVES

JUL 6 '77

SECTION
CURRENT SERIAL RECORD



WEATHERIZE NOW
THE KEY TO ENERGY CONSERVATION

FARMERS HOME
ADMINISTRATION
Program Aid No. 1186

A Rural Credit Agency of the
U.S. DEPARTMENT
OF AGRICULTURE

HOME WEATHERIZING LOANS THROUGH RURAL ELECTRIC COOPERATIVES

Better weatherproofing of homes is an action all American homeowner families can take to help conserve fuel and energy, cut the cost of home heating and cooling, and prevent discomfort or hazards to health brought on by severe winter cold waves or summer heat.

Many homes can be improved by installing better insulation, weatherstripping, storm doors and windows, and repairing deteriorated or substandard parts of the house.

Insulated homes generally save families enough money through savings on the amount of fuel used to more than meet monthly payments for weatherizing work done on a contract basis.

“NO RED TAPE” SERVICE

A simplified way to finance home weatherizing improvements has been arranged by the U.S. Department of Agriculture through its Farmers Home and Rural Electrification Administrations (FmHA and REA), in cooperation with the National Rural Electric Cooperative Association (NRECA).

Under this plan, homeowners eligible for FmHA rural housing credit who are served by rural electric co-ops may have home weatherizing work done through their co-ops, and pay by easy installments on their monthly electric bills.

HOW IT WORKS

Homeowners need to deal only with their electric co-ops to secure this service. It is not necessary to apply to FmHA. Local REA-financed electric systems participating will—

Receive applications from homeowners for home weatherizing work to be financed by FmHA loans.

Advise applicants what weatherizing work can be done to improve their homes.

Refer applicants to available qualified contractors who can do the work.

Pay contractors after satisfactory completion of work.

Stretch out payments by homeowners over a 5-year period by adding small monthly installments on the borrower's regular co-op electric bill.

WHO IS ELIGIBLE

Homeowners who are—

Member-consumers of rural electric co-ops.

Residents of areas eligible for FmHA rural housing loans (rural countryside and rural towns of not more than 20,000 population).

Of not more than moderate family income, as defined by FmHA (see below).

In need of FmHA credit to pay for home weatherizing improvements at rates they can reasonably afford.

In good credit standing with their co-ops.

LIMIT ON MODERATE INCOME

As of the date of this publication, the limit in rural areas is an adjusted annual family income of not more than \$15,600 a year in the contiguous 48 States, Puerto Rico and the Virgin

Islands; \$18,500 in Hawaii and Guam; and \$23,400 in Alaska. Adjusted annual income is arrived at by deducting from actual gross income (1) a 5-percent allowance and (2) \$300 for each minor child in the household.

LIMITS AND TERMS

Maximum credit available under the FmHA-REA plan is \$1,500 per family. Maximum repayment period is 5 years. Interest rate will be the current rate for FmHA Section 502 housing loans (8-percent as of the date of this publication).

IS WEATHERIZING EXPENSIVE?

Effective weatherizing can be done in most homes for costs averaging nationally about \$500 per home. These improvements usually result in reduced fuel and energy costs. Savings in some cases may exceed the cost of the weatherizing investment.

WHERE TO APPLY

Apply to your local rural electric cooperative.

OTHER FmHA RURAL HOUSING SERVICES

FmHA continues its regular services in home improvement and repair loans to rural families of moderate, low, and very low income. Applications for these services are made to Farmers Home Administration county offices. Grants for home improvement may be available to very low income people age 62 and over.

The service through rural electric cooperatives is an easy-to-use alternative for eligible people in co-op service areas who want to make home weatherizing improvements.



April 1977